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The Agricultural Marketing Service, Dairy Programs has compiled the 2000 Annual Summary of *Dairy Market Statistics* and it is now available for purchase by interested parties. The 2000 summary consists of nearly 80 pages of tabular data containing monthly averages for prices reported weekly in *Dairy Market News*. The annual report also includes weekly/daily exchange prices; monthly production data for milk and major manufactured dairy products; fluid milk marketings under federal milk orders; weekly government purchases; storage holdings; and other dairy related information. The 2000 Annual Summary also contains an index designed to identify those *Dairy Market News* reports that contained special information and announcements.

**This report is now downloadable free of charge at: [www.ams.usda.gov/dairy/mnncs/summary.htm](http://www.ams.usda.gov/dairy/mnncs/summary.htm)**

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**NATIONAL DAIRY MARKET AT A GLANCE****CHICAGO MERCANTILE EXCHANGE (CME) CASH MARKETS (04/20):**

**BUTTER:** Grade AA closed at \$1.9350. The weekly average for Grade AA is \$1.8700 (+.1637).

**CHEESE:** Barrels closed at \$1.4300 and blocks at \$1.4325. The weekly average for barrels is \$1.3890 (+.0571) and blocks, \$1.4130 (+.0405).

**NONFAT DRY MILK:** Extra Grade closed at \$1.0300 and Grade A closed at \$1.0400. The weekly average for Extra Grade is \$1.0300 (N.C.) and Grade A, \$1.0400 (+.0100).

**BUTTER:** Butter markets are firm. The current AA cash butter price at the CME is the highest it has been since the fall of 1998. Producers and handlers continue to question where this market is headed. In most instances, stocks of butter are lighter than desired for this time of the year. Many producers are holding onto existing stocks with confidence and trying to enhance inventories whenever possible. Churning activities vary depending on cream availability and price considerations. Buying interest for consumer needs is slow this week as buyers assess inventories following the holiday weekend before re-entering the market. Producers and handlers anticipate future orders to be lighter as most buyers will place orders for short term needs only. Producers and handlers are questioning retail sales activity with cash prices at current levels.

**CHEESE:** The cheese market is fully steady to firm. Current cheese supplies are tight to adequate and held with confidence. Many buyers are trying to build inventory under the expectation of tighter milk supplies later in the year. Cheese demand is strong with retail sales higher than year ago levels on many items. Food service promotional activity is also stimulating process sales. Recent declines in milk production are being reflected in lower cheese production.

**FLUID MILK:** Milk production pattern across the country are typical for this time of the year. In Florida and other nearby Gulf Coastal states, milk production is projected to be at seasonal peak levels. Up the east coast, seasonal increases are being reported with the peak season still 4 – 5 weeks off in New England. Midwestern milk production is increasing slowly with no significant increases being reported. In New Mexico, milk output continues to build following recent steady patterns. In Arizona, indications are that milk production is at or very close to seasonal peak levels. Milk output in California is trying to trend higher. Some recovery was noted in Southern California with cooler temperatures in the Central Valley having limited affects on milk production. In the Northwest, milk production is generally ahead of last year. Outside of the Northwest, milk volumes are lighter than many milk handlers desire for this time of the year thus many plants are looking for and desiring additional volumes. Cream markets are firm. Cream multiples are basically holding unchanged, although the pricing basis continues to increase. The recent sharp midweek price increase for AA butter on the CME cash market has most cream buyers very concerned. Demand for cream was good early in the week, but was more unsettled at midweek. Ice cream and butter production are seasonally active with buyers being hit hard by cream price increases. Butter producers are trying to secure as much cream as possible, even at current prices, to generate additional butter stocks for late summer and fall needs.

**DRY PRODUCTS:** For the most part, powder markets are steady to firm. Seasonal increases in the milk supply are less than anticipated in many parts of the country, thus

production of manufactured dry dairy products is not as strong as anticipated. Skim milk powder markets are steady to firm. The Western part of the country continues to lead production trends with surplus NDM continuing to clear to the CCC. Elsewhere in the country, skim milk powder production is limited to the point that some regular Midwestern and Eastern customers are not able to secure plant specific powder. Buttermilk powder markets are firm. Buttermilk powder production schedules across the country are reported as light to moderate depending on the volume of butter being made and condensed buttermilk demand. Whey markets are also steady to firm. A few plants have whey powder available for immediate sales, although most are sold out. In instances, stocks are tight to the point that some producers are shorting regular commitments.

**CCC:** During the week of April 16 - 20, CCC net purchases totaled 5,766,723 pounds of nonfortified Western NDM.

**MARCH MILK PRODUCTION (NASS):** Milk production in the 20 major states during March 2001 totaled 12.4 billion pounds, down 2.2% from March 2000. Production per cow in the 20 major states averaged 1,599 pounds for March, 33 pounds (2.0%) lower than March 2000. The number of cows on farms in the 20 major states was 7.76 million head, 18,000 head less than March 2000 and 9,000 head less than February 2001. The January – March quarterly production of milk for the U.S. was 41.3 billion pounds unadjusted, 3.1% below the January – March period last year. The average number of milk cows in the U.S. during the first quarter was 9.16 million head, 33,000 head less than the same three months last year.

**MARCH FEDERAL MILK ORDER PRICE AND POOL SUMMARY (DAIRY PROGRAMS):** During March, about 10.1 billion pounds of milk were received from producers. This volume of milk is 3.7% lower than the adjusted March 2000 volume. (Taking into account the volume of milk not pooled due to intraorder disadvantageous price relationships, the year-to-year change is -0.4%.) About 4.1 billion pounds of producer milk were used in Class I products, 1.1% higher than the previous year. Calendar composition likely had a positive impact on milk used in Class I in 2001 as compared to 2000. The all-market average Class utilizations were; Class I = 40%, Class II = 9%, Class III = 45%, and Class IV = 6%. The weighted average statistical uniform price was \$13.64, \$0.93 higher than last month's revised price and \$2.05 higher than last year.

**MAILBOX MILK PRICES FOR NOVEMBER 2000 (DAIRY PROGRAMS):** In November 2000, mailbox milk prices reported for selected Federal milk orders averaged \$12.40, \$0.07 less than the revised figure for the previous month. Compared to November 1999, mailbox milk prices decreased \$1.77 on the average.

**FEDERAL MILK ORDER ADVANCE PRICES HIGHLIGHTS (DAIRY PROGRAMS):** Under the Federal milk order pricing system, the base price for Class I milk for May 2001 is \$14.21. This price is derived from the advanced Class IV skim milk pricing factor of \$7.88 and the advanced butterfat pricing factor of \$1.8887 per pound. Class I differentials specific to each order are added to the base price to determine the Class I price. The Class II skim milk price for May is \$8.58 and the Class II nonfat solids price is \$0.9533 per pound. The following are the two-week product price averages: butter \$1.6637, nonfat dry milk \$1.0154, cheese \$1.3326, and dry whey \$0.2434.

\*\*\*\*SPECIALS THIS ISSUE\*\*\*\*

MARCH MILK PRODUCTION (PAGE 7)  
NOVEMBER MAILBOX MILK PRICES (PAGE 8)

MARCH FEDERAL MILK ORDER PRICE AND POOL SUMMARY  
(PAGE 9)

**CHICAGO MERCANTILE EXCHANGE  
CASH TRADING**

CHEESE: carload = 40,000-44,000 lbs., NONFAT DRY MILK: carlot = 42,000-45,000 lbs., BUTTER: carlot = 40,000-43,000 lbs.

PRODUCT	MONDAY APRIL 16	TUESDAY APRIL 17	WEDNESDAY APRIL 18	THURSDAY APRIL 19	FRIDAY APRIL 20	WEEKLY CHANGE*	WEEKLY AVERAGE#
CHEESE BARRELS	\$1.3525 (+.0150)	\$1.4000 (+.0475)	\$1.3800 (-.0200)	\$1.3825 (+.0025)	\$1.4300 (+.0475)	(+.0925)	\$1.3890 (+.0571)
40# BLOCKS	\$1.3925 (+.0150)	\$1.4400 (+.0475)	\$1.4000 (-.0400)	\$1.4000 (N.C.)	\$1.4325 (+.0325)	(+.0550)	\$1.4130 (+.0405)
NONFAT DRY MILK EXTRA GRADE	\$1.0300 (N.C.)	\$1.0300 (N.C.)	\$1.0300 (N.C.)	\$1.0300 (N.C.)	\$1.0300 (N.C.)	N.C.	\$1.0300 (N.C.)
GRADE A	\$1.0400 (+.0100)	\$1.0400 (N.C.)	\$1.0400 (N.C.)	\$1.0400 (N.C.)	\$1.0400 (N.C.)	(+.0100)	\$1.0400 (+.0100)
BUTTER GRADE AA	\$1.7250 (+.0150)	-----	\$1.9500 (+.2250)	-----	\$1.9350 (-.0150)	(+.2250)	\$1.8700 (+.1637)

\*Sum of daily changes. # Weekly averages are simple averages of the daily closing prices for the calendar week. Computed by Dairy Market News for informational purposes. This data is available on the Internet at [WWW.AMS.USDA.GOV/MARKETNEWS.HTM](http://WWW.AMS.USDA.GOV/MARKETNEWS.HTM)

**CHICAGO MERCANTILE EXCHANGE**

MONDAY, APRIL 16, 2001

CHEESE — SALES: NONE; BIDS UNFILLED: 3 CARS BARRELS: 1 @ \$1.3525, 1 @ \$1.3450, 1 @ \$1.3400; 1 CAR 40# BLOCKS @ \$1.3925; OFFERS UNCOVERED: NONE

NONFAT DRY MILK — SALES: NONE; BIDS UNFILLED: 1 CAR GRADE A @ \$1.0400; OFFERS UNCOVERED: NONE

BUTTER — SALES: NONE; BIDS UNFILLED: 6 CARS: 1 @ \$1.7250, 1 @ \$1.6925, 1 @ \$1.6900, 2 @ \$1.6800, 1 @ \$1.6700; OFFERS UNCOVERED: NONE

TUESDAY, APRIL 17, 2001

CHEESE — SALES: NONE; BIDS UNFILLED: 3 CARS BARRELS: 1 @ \$1.4000, 1 @ \$1.3925, 1 @ \$1.3825; 1 CAR 40# BLOCKS @ \$1.4400; OFFERS UNCOVERED: NONE

WEDNESDAY, APRIL 18, 2001

CHEESE — SALES: 1 CAR BARRELS @ \$1.3800; 5 CARS 40# BLOCKS: 4 @ \$1.4200, 1 @ \$1.4000; BIDS UNFILLED: 1 CAR BARRELS @ \$1.3750; OFFERS UNCOVERED: 1 CAR BARRELS @ \$1.3825; 2 CARS 40# BLOCKS: 1 @ \$1.4000, 1 @ \$1.4275

BUTTER — SALES: 11 CARS: 2 @ \$1.9375, 2 @ \$1.9350, 1 @ \$1.9325, 1 @ \$1.9350, 1 @ \$1.9375, 1 @ \$1.9325, 1 @ \$1.9500, 1 @ \$1.9475, 1 @ \$1.9500; BIDS UNFILLED: 6 CARS: 1 @ \$1.8000, 2 @ \$1.7750, 1 @ \$1.7600, 2 @ \$1.7250; OFFERS UNCOVERED: 1 CAR @ \$2.0000

THURSDAY, APRIL 19, 2001

CHEESE — SALES: 1 CAR BARRELS @ \$1.3825; 11 CARS 40# BLOCKS: 7 @ \$1.4000, 1 @ \$1.4025, 3 @ \$1.4000; BIDS UNFILLED: 3 CARS BARRELS: 1 @ \$1.3825, 1 @ \$1.3800, 1 @ \$1.3500; OFFERS UNCOVERED: 5 CARS 40# BLOCKS: 1 @ \$1.4050, 1 @ \$1.4100, 1 @ \$1.4175, 2 @ \$1.4200

FRIDAY, APRIL 20, 2001

CHEESE — SALES: 9 CARS BARRELS: 2 @ \$1.4000, 1 @ \$1.4025, 2 @ \$1.4050, 2 @ \$1.4100, 2 @ \$1.4200; 10 CARS 40# BLOCKS: 1 @ \$1.4000, 1 @ \$1.4100, 4 @ \$1.4200, 2 @ \$1.4300, 1 @ \$1.4350, 1 @ \$1.4325; BIDS UNFILLED: 3 CARS BARRELS: 1 @ \$1.4300, 1 @ \$1.4000, 1 @ \$1.3825; 3 CARS 40# BLOCKS: 2 @ \$1.4100, 1 @ \$1.4000; OFFERS UNCOVERED: NONE

BUTTER — SALES: 7 CARS: 2 @ \$1.9300, 1 @ \$1.9250, 2 @ \$1.9200, 2 @ \$1.9150; BIDS UNFILLED: 8 CARS: 1 @ \$1.9350, 1 @ \$1.9325, 1 @ \$1.9200, 1 @ \$1.9100, 1 @ \$1.9000, 1 @ \$1.8800, 1 @ \$1.8500, 1 @ \$1.0000; OFFERS UNCOVERED: 5 CARS: 2 @ \$1.9475, 1 @ \$1.9500, 1 @ \$2.0100, 1 @ \$3.0000

Dairy Market News will report CME nonfat dry milk activity only on the sessions when trading actually occurs until activity occurs regularly.

**BUTTER MARKETS****NORTHEAST**

The market tone remains firm. The CME butter price continues its upward climb. The Grade AA butter price is at a record-high level for April with little let up in sight. Demand is good as buyers try to buy ahead of any additional increases, but producers are holding stocks and current output with growing confidence. Producers are meeting their commitments, but they do seem willing to sell too much bulk on the spot market. Print sales are slow to fair. Easter features are over and the regular prices are too high to attract much buyer interest. Production levels were a little heavier over the holiday weekend, but still reported as “just moderate” for this time of year. Sales of bulk butter, f.o.b. East, are reported in a range of 3.5 – 8.0 cents over the CME price/average.

**CENTRAL**

The market tone is firm. The cash price at the CME has increased steadily to \$1.95 at midweek. On Wednesday, the cash price adjusted 22.5 cents (12.5%) higher in one trading session. Producers and handlers continue to question where will prices go this summer and fall, especially when the cash price level is at this point already. Stocks of butter are sufficient for current needs, although more producers, handlers, and buyers are questioning will there be adequate supplies for later in the year. Midwestern buyers continue to look for any and all possibilities to acquire or produce additional butter stocks. Some report that they are taking advantage of imported butter that is becoming available at this time. Reports indicate that

more producers and handlers are becoming more willing to hold onto stocks versus selling at this time. Overall butter demand has slowed this week. Most buyers are assessing inventories following the Easter holiday before reordering. Many handlers anticipate butter sales to slow, especially with cash prices at current levels. When available for spot sale, butter is being offered in a price range of 3 – 5 cents per pound over various pricing bases.

**WEST**

Most Western butter producers, buyers, and resellers were surprised and caught unaware by the sharp run up in the butter price this week. Prices have not been this high since November of 1998. Most don't believe that this action will lead to much additional butter production. They also don't believe that there are a lot of free stocks of butter internationally that will come into the US. They do agree that it may serve to reduce some demand as prices continue to increase. Cream demand has been good, but sellers wonder if buyers will be able to handle an increase of this magnitude in the short run. Ice cream production has been increasing. Contacts are stating that it may take a few days to process thinking about this new market before they know how to proceed. Current prices for bulk butter nominally range from 4 cents under to flat market based on the CME with various time frames and averages involved.

**NASS DAIRY PRODUCT PRICES**  
U.S. AVERAGE AND TOTAL POUNDS

WEEK ENDING	CHEESE		NDM	BUTTER	DRY WHEY
	40# BLOCKS	BARRELS 38% MOISTURE			
APRIL 14	1.3348 7,343,196	1.3106 9,116,636	1.0157 19,837,867	1.6679 3,297,627	0.2446 12,274,087

Further data and revisions may be found on the internet at: <http://jan.mannlib.cornell.edu/reports/nassr/price/dairy>

## CHEESE MARKETS

## NORTHEAST

Prices continue to move higher and the market tone is firm. With milk supplies shorter than expected in many sections of the country, contacts do not expect cheese prices at the CME to turn lower in the near future. This is rather atypical thinking for this time of year. The spring flush is approaching but most processors feel that it will be a "non-event" as there is plenty of processing capacity available in the Northeast. Currently, cheese makers are operating on slightly reduced schedules because milk supplies are so tight. Supplies of cheddar are adequate while mozzarella stocks are lighter than desired. Demand for process and mozzarella are holding up quite well. Cheddar sales are steady at fair levels.

WHOLESALE SELLING PRICES: DELIVERED,  
DOLLARS PER POUND (1000 - 5000 POUNDS MIXED LOTS)

Cheddar 10# Prints	:	1.4175-1.8875
Cheddar Single Daisies	:	1.3750-1.8350
Cheddar 40# Block	:	1.5125-1.6950
Process 5# Loaf	:	1.5425-1.7150
Process 5# Sliced	:	1.5625-1.8175
Muenster	:	1.5775-1.7850
Grade A Swiss Cuts 10 - 14#	:	2.3500-2.5500

## MIDWEST

The cheese market is fully steady to firm. Current cash prices at the Chicago Mercantile Exchange are the highest for this week since 1996 at the National Cheese Exchange. Spot offerings are being held with confidence and are surprisingly limited. Cheese demand is generally good. Recent price increases also have some plant operators and buyers speculating on potential higher prices by delaying sales, building working inventories, or rotating stocks to keep maturities down. Some processors are putting away extra barrels for anticipated tightness and higher prices later in the year. A few producers are able to pass on small increases in premiums, something that has been extremely difficult to do in recent years. Speculators seem to have backed away from aging cheddar for fall after last year's low to negative profits. Mozzarella remains tight to short of needs. Swiss supplies remain tight and some gaps are noted in product with adequate age. Milk intakes remain below year ago levels in most upper Midwestern states. Cheese yields are steady to slightly lower.

WISCONSIN WHOLESALE SELLING PRICES: DELIVERED,  
DOLLARS PER POUND (1000 - 5000 POUNDS MIXED LOTS)

Process American 5# Loaf	:	1.5525-1.6500
Brick And/Or Muenster 5#	:	1.6200-1.9675
Cheddar 40# Block	:	1.6200-2.1150
Monterey Jack 10#	:	1.8200-2.1150
Blue 5#	:	2.1125-2.2500
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.6400-2.2150
Grade A Swiss Cuts 6 - 9#	:	2.0450-2.6850

## MIDWEST COMMODITY CHEDDAR

Dollars per pound, standard moisture basis (37.8-39.0%),  
carlot/trucklot, F.O.B. plants or storage centers.

CHEDDAR STYLES	:	APRIL 16 - 20, 2001
BARRELS*	:	\$1.3325 - 1.4000 (NOMINAL)
	:	(\$0.0125) (.0525)
40# BLOCKS	:	\$1.3825 - 1.4400 (NOMINAL)
	:	(\$0.0225) (.0500)

( ) Change from previous week. \* If steel, barrel returned.

## WEST

Natural and process cheese prices continue to increase following the weekly averages at the CME. A number of Western producers and resellers are stating that process and natural cheese are very tight for immediate needs. Buyers are often not able to get what they need for their immediate needs. No one is really discussing buying cheese for future needs when they cannot cover nearby orders. Contacts are now also concerned about the sharply higher butter prices and how they may impact cheese markets. There certainly seems to be more uncertainty in the market than is normal for this early in the year. Swiss cheese orders are generally noted as about steady. The mozzarella market remains tight. Buyers often are not able to cover full trade needs. Contacts are viewing the negative milk production report for March as supportive of the cheese market. A number of Western manufacturing plants are stating that they are looking for additional milk supplies and not able to find them. Processors believe that by early fall some of their producers will have expansion plans completed and that may help relieve tightness.

WHOLESALE SELLING PRICES: DELIVERED, DOLLARS PER POUND  
(1000 - 5000 POUNDS MIXED LOTS)

Process 5# Loaf	:	1.4825-1.7425
Cheddar 40# Block	:	1.4950-1.6375
Cheddar 10# Cuts	:	1.6750-1.8950
Monterey Jack 10#	:	1.6850-1.8450
Grade A Swiss Cuts 6 - 9#	:	2.3000-2.5100

## FOREIGN

Prices for domestic styles continue to increase while imported styles are unchanged. The market tone is seasonal and maybe just a little slower now that the Easter and Passover holidays are past. Reports indicate that the 2001 cheese output in the EU is expected to be higher. Predicted gains range from 7-11% above year ago levels, depending on country. This may be due to the fact that consumers in Europe are switching away from red meats to cheese and other meats. EU exports are expected to be about level with last year.

WHOLESALE SELLING PRICES: FOB DISTRIBUTORS DOCK  
DOLLARS PER POUND (1000 - 5000 POUNDS, MIXED LOTS)

VARIETY	NEW YORK	
	IMPORTED	DOMESTIC
Roquefort	TFEWR	-0-
Blue	2.6400-3.1400	1.7200-3.2150*
Gorgonzola	3.2400-5.9400	2.2700-2.4900*
Parmesan (Italy)	TFEWR	3.1350-3.1600*
Romano (Italy)	2.1000-2.9900	-0-
Provolone (Italy)	3.4400-5.5000	1.7275-1.9550*
Romano (Cows Milk)	-0-	2.9100-5.0900*
Sardo Romano (Argentina)	2.6500-3.2900	-0-
Reggianito (Argentina)	2.6500-3.2900	-0-
Jarlsberg-(Brand)	2.7400-3.5900	-0-
Swiss Cuts Switzerland	-0-	2.3500-2.5500
Swiss Cuts Finnish	2.5900-2.8500	-0-
Swiss Cuts Austrian	2.2500-2.7500	-0-
Edam		
2 Pound	TFEWR	-0-
4 Pound	2.1900-3.0900	-0-
Gouda, Large	2.3900-2.6800	-0-
Gouda, Baby (\$/Dozen)		
10 Ounce	27.8000-31.7000	-0-

\* = Price change.

WEEKLY COLD STORAGE HOLDINGS - SELECTED STORAGE CENTERS  
IN THOUSAND POUNDS - INCLUDING GOVERNMENT STOCKS

	BUTTER : CHEESE	
04/16/01	23,089	120,780
04/01/01	22,500	121,708
CHANGE	1,039	-928
% CHANGE	5	-1

## FLUID MILK AND CREAM

## E A S T

Spot shipments of Grade A milk into or out of Florida and other Southeastern states

	THIS WEEK		LAST WEEK		LAST YEAR	
	IN	OUT	IN	OUT	IN	OUT
FLORIDA	0	140	0	150	0	136
SOUTHEAST STATES	0	0	0	0	0	0

Regional Milk Market Administrators announced the following, March 2001 uniform prices: Northeast \$14.50, Mideast \$13.24, Southeast \$14.92, Florida \$16.69, and Western New York (a state order) \$14.89 at the base cities/counties in the orders. (For the Northeast, Mideast, and Western New York orders, statistical uniform prices are reported.) During March, milk production in the 20 major states totaled 12.4 billion pounds, down 2.2% from March 2000. The following are the March to March changes for selected states: Texas -15.5%, Vermont -5.4%, Virginia -4.0%, Kentucky -5.0%, Pennsylvania -5.3%, Florida -1.7%, and New York -5.0%. During February, milk cow numbers were lower in all these states. Milk per cow was lower in all the above states except Florida, which was unchanged. Currently, milk production is at the peak in Florida and some other Gulf Coast states. Some small declines in output have been seen in Florida and Louisiana, but cooler weather in the Sunshine state may slow the drop. Typically, milk output drops as the hot weather takes its toll on the cows. Florida handlers did ship quite a bit of milk out this week, but the volumes are down from last week's projected volumes. Milk production in the Middle Atlantic areas and Carolinas is increasing along seasonal patterns. Milk output in the Northeast is up slightly, but their peak typically hits in late May. Many contacts wonder if there will be a flush this year. This region has lost quite a few cows and dairy farmers in the past year. New York and New England's combined cow numbers for the first quarter of 2001 are down more than 45,000 head for the same period last year. Bottled milk sales have rebounded slightly, but some schools are on vacation. Manufacturing plants in the Northeast do have a little more milk this week because of the school closings and this extra milk should be absorbed back into Class I channels when schools reopen. In areas where schools are already back in session, manufacturing plant receipts are light. In the Southeast, bottled milk sales have leveled off now that the majority of "winter residents" have left for the summer. The condensed skim market is little changed. Demand is good and clearing most supplies. Some drying is taking place, but this is most often to meet NDM commitments. The fluid cream market is mixed, but still fairly firm. Prices moved higher as last week's CME butter averages jumped 2.3 cents. Demand is improving, but a few plants did generate a little more cream this week. Some of those plants kept their cream to churn rather than sell it on the spot market. Ice cream production is increasing seasonally, but the high cost of butterfat is a deterrent for some manufacturers and they are making more low fat items, sherbets, and ices. Cream cheese output is about steady. Some makers are making fewer spot purchases of cream and just taking contracted volumes. Churning activity is moderate.

## FLUID CREAM AND CONDENSED SKIM PRICES IN TANKLOT QUANTITIES

## SPOT PRICES OF CLASS II CREAM, \$ PER LB BUTTERFAT

F.O.B. PRODUCING PLANTS: NORTHEAST	-	2.1841-2.3547
DELIVERED EQUIVALENT ATLANTA	-	2.1670-2.3888 M 2.2011-2.2864
F.O.B. PRODUCING PLANTS: UPPER MIDWEST	-	2.2011-2.3035

## PRICES OF CONDENSED SKIM, \$ PER LB WET SOLIDS

F.O.B. PRODUCING PLANTS:	
NORTHEAST- CLASS II - INCLUDES MONTHLY FORMULA PRICES	- 1.0900-1.1500
NORTHEAST- CLASS III - SPOT PRICES	- .8500- .9600

## M I D W E S T

Class I demand is generally steady this week, as classes resumed for most schools on spring break last week. For the most part, bottling schedules were not disrupted one way or another over the past holiday weekend. Staggered school spring break schedules during the past 3-4 weeks allowed Class I demand to remain quite stable versus sharp demand swings as in years past. Milk production patterns are starting to increase slightly in most Midwestern areas. Although the increases are minimal, milk handlers are stating that intakes are slightly higher. During March, milk production in the 20 major milk producing states was down 2.2% when compared to March of last year. This was the third consecutive month that current output trailed the comparable month in 2000. Of the 20 major states, Midwestern states and their production percentage change from last March are: IL 2.6%, IN +8.3%, IA -3.5%, KY -5.0%, MN -5.3%, MO -10.9%, and WI -3.1%. This lagging trend has many milk handlers concerned about having sufficient

milk supplies this year. Currently, manufacturing milk demand remains strong, although supplies are quite limited. Spot manufacturing milk prices range \$1.50 to \$2.75 over class. Some Upper Midwest milk is still moving to other federal orders for pooling purposes. Cream markets are firm with prices generally higher. Multiples are basically unchanged, although some cream handlers are slightly adjusting their high end multiples to keep cream prices more in line with last week. Cream handlers and buyers are closely monitoring the CME AA cash butter market as this price nears \$2.00. Cream demand remains active for both ice cream and butter needs. In many instances, producers are taking advantage of all available cream volumes, anticipating that prices will continue to firm and supplies will tighten.

## WISCONSIN LIVESTOCK AUCTIONS (PER CWT.)

	APRIL 12 - 18	PREVIOUS YEAR
SLAUGHTER COWS	\$ 41.50- 49.00	\$ 39.00- 45.00
REPLACEMENT HEIFER CALVES	\$350.00-410.00	\$270.00-330.00

## SOUTH ST. PAUL TERMINAL AUCTION MARKET (PER CWT.)

	APRIL 12 - 18	PREVIOUS YEAR
SLAUGHTER COWS	\$ 44.00- 51.50	\$ 35.00- 49.00

## W E S T

U.S. milk production in the 20 surveyed states totals 12.4 billion pounds for March, down 2.2% from March 2000. Production was lower in 15 of the 20 states. March output for selected Western states compared to last year is as follows: Arizona -9.3%, California +2.3%, Idaho +10.1%, New Mexico +1.1%, and Washington -2.5%. Cow numbers in these five states were up 116,000 head from a year ago. First quarter adjusted milk production for the US is down 2.0% from the same period in 2000. Output for selected Western States is as follows: Arizona down 7.8%, California up 2.1%, Colorado up 4.1%, Idaho up 8.9%, New Mexico up 2.2%, Oregon down 5.1%, Utah down 3.3%, and Washington down 2.5%. Cow numbers in the region are higher, even though some selected states are slightly lower. Milk production patterns are holding mostly steady in the Southwest. Processing plants are able to handle milk locally. In California, competition for milk remains good and many plants want more milk. Milk output in California is trying to trend higher. Some recovery was noted in Southern California this week. Cooler temperatures in the Central Valley had only limited effects on milk. Energy costs and the potential of rolling blackouts this summer are concerns of the trade. Higher commodity prices for butter and cheese are positive factors for higher, nearby milk prices. Prices for top quality dairy hay are reported to be increasing because of lack of supply and the potential for less hay from the Northwest this year. Indications are that milk production in Arizona is at or very close to seasonal peak levels. Contacts are seeing little change in milk receipts. Output levels continue to be below year ago levels. There are concerns that production per cow is not recovering to the extent expected. Temperatures are beginning to increase and summer conditions could begin to lessen milk output. Windy and cooler conditions last week affected milk in New Mexico, but most producers saw recovery this week. Milk production is thought to be still trending towards the seasonal peak, but not to the levels expected. First cuttings of hay are beginning in the southern growing areas of the state. The CME butter price hitting \$1.95 on April 18th threw a "monkey wrench" in the gears of the cream market. Western cream multiples are in the wide range of 114 to 135 FOB, but vary depending on usage. The widely varying basing points make multiples less meaningful this week. Demand for cream was good earlier in the week, but was more unsettled at midweek. Ice cream production is seasonally active and buyers are being hit hard by the cream price increases. Weather patterns in the Pacific Northwest are normal for this time of the spring season. Milk production is generally ahead of last spring. Some herd health issues are noted. Pastures are in good shape with some green chopping taking place. Hay growth is slow, often estimated to be 2-3 weeks behind normal. Carryover stocks are minimal this spring. Contacts are not sure what to think about hay production for the new year. Most feel that it will be a firm price year. One of the pending, very large dairy farms started to milk this week. By early next week, the milking herd should be above 1000 animals. Heifer prices are firm and offerings are very light. Culling rates remain heavier than a few weeks ago. The US culling rate is running about 4.5% ahead of last year. Conditions have been quite cool in the northern Mountain States until mid-week. Some rain/snow has helped the moisture outlook, but conditions are anticipated to be dryer than normal. Growers are making cropping decisions based on expensive fertilizer, limited water, and expensive power. None of this bodes well for reasonably priced forage crops this summer. A number of manufacturing plants in the region are stating that they are not seeing much of a spring flush. Some are out trying to recruit new members and they are having only limited success.

**CENTRAL AND WEST DRY MILK PRODUCTS**

All reports, except California manufacturing plants, were released 04/19/01 and represent FOB Central and Western production areas. Prices represent CL/TL quantities for domestic and export sales packaged in 25 kg. or 50 lb. bags, or totes, spray process, dollars per pound.

**NONFAT DRY MILK - CENTRAL**

Prices are higher on a steady to firm market. Seasonal increases in the milk supply are less than anticipated, encouraging lower production volumes of NDM compared to last year. While low heat supplies are readily available in the West, product is tight in the Central region, encouraging some producers to offer higher. Buyers believe that freight differentials between regions are driving prices higher. Producers report that good domestic and export movement is firming the market. Demand is good from brokers, Class II users and infant formula operations. High heat supplies are tight and production is limited. Some producers are concerned of future shortages on both low and high heat and are thus taking good stock of supplies. Standard grade product is tight for the good demand.

Includes EXTRA GRADE and GRADE A, low and medium heat

NONFAT DRY MILK: 1.0250 - 1.0600 MOSTLY: 1.0250 - 1.0450

**DRY BUTTERMILK - CENTRAL**

Prices are unchanged on a firm market. Trading is light as buyers slowly absorb the price change from last week. Because of holiday schedules, more milk moved into butter operations, increasing condensed buttermilk output. Lower ice cream demand due to colder temperatures reduced condensed buttermilk movement and increased supplies at some locations. Excess condensed supplies are encouraging operations to increase drying schedules. However, the few extra loads being produced are not expected to have much of an impact on the market, especially with some producers holding supplies in anticipation of further price increases. With buttermilk trading more than 5 cents higher than NDM, some buyers are considering end product reformulations.

BUTTERMILK: 1.0500 - 1.1200

**DRY WHEY - CENTRAL**

Prices are higher on a steady to firm market. Current market strength is surprising to both buyers and sellers, especially as the seasonal flush nears. Some producers are concerned that continual price increases will deter movement given that markets obtained from the EU FMD outbreak may dissipate. However, at other locations, supplies are anticipated to remain tight, encouraging firmer markets. Product is generally difficult to find with some producers shorting regular commitments. Production is steady to lower due to less than seasonal milk output. Demand is good with feed and edible markets picking up additional loads. Export trade is steady with inquiries reported from Asia and Mexico.

NONHYGROSCOPIC: .2475 - .2625 MOSTLY: .2475 - .2575

**ANIMAL FEED WHEY - CENTRAL**

Prices are higher on milk replacer and roller ground and unchanged on delactose. The market tone is generally firm. Supplies of milk replacer are tight for the good demand. Prices of both milk replacer and roller ground are moving higher with the Extra Grade market. Delactose trade is unchanged with most movement occurring on regular commitments. Inquiries are being made for additional supplies from both domestic and export markets. Early weaned pig demand is steady while the North Central veal market is trending steady to firm.

MILK REPLACER: .2000 - .2300

ROLLER GROUND: .2375 - .2675

DELACTOSE (Min. 20% protein): .4150 - .4300

**LACTOSE - CENTRAL AND WEST**

Prices are unchanged to higher on a firm market. Many plants are oversold and are thereby carefully negotiating supplies so as not to short commitments. Demand from infant formula operations is inciting the best movement. Inquiries from the EU and Asia continue. Production is generally steady and less than anticipated for this time of the year. Demand for higher mesh product is strong. Resale supplies are generally being offered over the average. Off grade prices are firming with supplies often difficult to find.

Including spot sales and up to 3 month contracts. Mesh size 30 - 100.

EDIBLE: .1675 - .2150 MOSTLY: .1700 - .1875

**WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST**

Prices are unchanged on a steady to firm market. Some traders were miffed by last week's decline on the high side of the price range. Premiums for the current week are unchanged. Some producers are negotiating tight stocks to gain spot sales while others are offering at the average to clear supplies. Demand from food accounts is strong while feed movement is fickle. Export inquiries persist from Asia and Mexico. Some feed buyers are attempting to barter better deals given that high protein imports from Oceania are available competitive substitutes. Condensed movement is heavy into some feed operations with facilities often turning loads away. Dryers are generally operating at capacity with a few equipment problems noted, inducing some of the distressed condensed movement during the last few weeks. High protein supplies are mixed with some producers long and others short on a generally steady market. Off grade product is tight for the good demand.

EXTRA GRADE 34% PROTEIN: .7900 - .8250 MOSTLY: .7900 - .8000

**NONFAT DRY MILK - WEST**

Prices and the market tone for low/medium heat NDM are holding steady. The mostly range, reflecting the majority of sales, has not changed in eleven weeks. There has been renewed trade speculation on a butter/powder tilt following several trade reports' stories. The trade sentiment is that the tilt will not happen in the short run. Spot sales are currently light to moderate with powder available from several sources in the region. Processors continue to deal with high energy costs and they try to minimize drying when and where possible. Some producers have surcharges in place to try to recover part of the additional costs. High heat prices are unchanged with some interest noted from seasonal accounts. Production is mainly light as processors generally are making to order. Some producers are behind on high heat orders. During the week of April 9 - 13, CCC net purchases totaled 13.0 million pounds of Western NDM.

Includes EXTRA GRADE and GRADE A

LOW/MEDIUM HEAT: .9950 - 1.0300 MOSTLY: 1.0025 - 1.0175

HIGH HEAT: 1.0300 - 1.0700

**DRY BUTTERMILK - WEST**

Dry buttermilk prices continue to trend higher and the market tone is firmer. Production levels are seasonally mixed, depending on the volume of butter being made and the level of condensed buttermilk sales. Production costs remain high for most dryers in the region due to the costs of natural gas and electricity. Stocks are mostly light and being held with more confidence.

BUTTERMILK: .9800 - 1.0700 MOSTLY: 1.0000 - 1.0400

**DRY WHEY - WEST**

Prices range from steady to fractionally higher for Western whey powder. A few plants have powder for immediate sale, but most are sold out for a period of time into the future. Most buyers continue to pay premiums to get powder for immediate needs. Export shipments are steady at best. Overseas buyers continue to have monetary problems and they are beginning to feel that prices are getting too high and they are looking for substitute products. Contacts are questioning the availability and prices for whey out of the EU. Speculation is that paperwork confirming the safety of this powder will be available soon and that this powder will enter export channels.

NONHYGROSCOPIC: .2200 - .2650 MOSTLY: .2450 - .2600

**CALIFORNIA MANUFACTURING PLANTS - NONFAT DRY MILK**

WEEK ENDING	PRICE	POUNDS
April 13	\$1.0089	11,823,785
April 6	\$1.0065	15,117,236

Prices are weighted averages for Extra Grade and Grade A Nonfat Dry Milk, f.o.b. California manufacturing plants. Prices for both periods were influenced by effects of long-term contract sales. Compiled by Dairy Marketing Branch,

**NORTHEAST, SOUTHEAST, AND NATIONAL MILK PRODUCTS**

All reports represent carlot/trucklot quantities for domestic and export sales in 25 kg. or 50 lb. bags, and totes, spray process, dollars per pound, unless otherwise specified. Delivered Southeast is delivered equivalent Atlanta.

**NONFAT DRY MILK - NORTHEAST AND SOUTHEAST**

Prices are steady and nominal in the Northeast. Production levels are about steady. However, in a few instances, condensed skim buyers are trying to pressure prices lower and suppliers are, more often, thinking of "firing up the dryer" rather than sell at prices they deem to be too low. This possible increase in drying is not expected to ease the tight supply of NDM in the East. Southeastern drying plants are operating on more consistent schedules now that surplus milk is available to them. Plants in the Middle Atlantic and Northeast are still operating on reduced schedules. In the East, producer stocks are much lighter than historic patterns indicate. Notices have been sent out to buyers informing them that their demand for Eastern, plant-specific powder may be only partially satisfied the remainder of this year. This is causing somewhat of a rush by some traders and users to pick up their contract loads in a timely manner. At times, buyers have been known to delay picking up their loads. Current spot demand is slow to fair and many single-load purchases are now via resale channels.

Includes EXTRA GRADE AND GRADE A

F.O.B. NORTHEAST:

LOW/MEDIUM HEAT: 1.0275 - 1.0825 MOSTLY: 1.0275 - 1.0600

HIGH HEAT: 1.0550 - 1.1100 MOSTLY: 1.0550 - 1.1000

DELVD SOUTHEAST:

ALL HEATS: 1.0525 - 1.1500

**DRY BUTTERMILK - NORTHEAST AND SOUTHEAST**

The market tone is firming. Prices are unchanged and nominal. However, some increases within the range were noted and more contacts are thinking about increasing prices. Price increases may be sooner than later since the CME butter price jumped to nearly \$2.00 per pound on Wednesday (4/18). This makes dry buttermilk, at 4.5% butterfat, a relative bargain at current prices. Production levels are light to moderate in the Northeast. Sales of condensed buttermilk are improving along seasonal patterns and the call for dry buttermilk is improving. Few Eastern producers have much to offer on the spot market.

F.O.B. NORTHEAST: 1.0000 - 1.0300

DELVD SOUTHEAST: 1.0300 - 1.1550

**DRY WHOLE MILK - NATIONAL**

The market tone is steady. Prices are steady to higher as the butter price at the CME continues to increase. Surplus milk supplies are light and producers are only filling contracts and have little on the floor for immediate shipment. Spot demand is slow. With the CME cash butter price fast approaching \$2.00 per pound, prices of dry whole milk will likely increase which would probably hurt sales.

F.O.B. PRODUCING PLANT: 1.3200 - 1.5000

**DEIP BID ACCEPTANCE SUMMARY**

JULY 1, 2000 THROUGH APRIL 13, 2001  
WITH CHANGES FROM PREVIOUS REPORT

NONFAT DRY MILK -- 68,201 MT (150,355,925 LBS)  
This program-year allocation is filled.

CHEESE -- 3,030 MT (6,679,938 LBS)  
This program-year allocation is filled.

Allocations for the DEIP year beginning July 1, 2000: Nonfat dry milk - 68,201 MT; Cheese - 3,030 MT; Butterfat - 21,097 MT.

**DRY WHEY - NORTHEAST AND SOUTHEAST**

Prices are often higher and nominal. The market tone remains firm in the East and other regions. Production levels are light to moderate. Cheese makers in the Northeast are seeing a little more milk this week due to school vacations, but volumes are expected to ease back to early-April levels as the week progresses. Dry whey output is lighter than desired and producers report being sold out through most of May. Demand is good, but traders report overall market activity as slow. Some producers, trying to get caught up with contract shipments, are not accepting new spot orders at this time. Demand for condensed or liquid whey is good. Some dryers are aggressively looking for more liquid whey to process.

F.O.B. NORTHEAST:	EXTRA GRADE	.2500 - .2600
	USPH GRADE A	.2600 - .2700
DELVD SOUTHEAST:		.2825 - .2925

**EVAPORATED MILK - NATIONAL**

Prices are unchanged and the market tone is seasonal. Demand is slow to fair, but some buyers are picking up additional volumes ahead of possible/rumored price increases. Production levels are moderate, but milk volumes are lighter than expected for this time of year. The increasing costs of production continue to be a concern for most producers.

DOLLARS PER 48 - 12 FLUID OUNCE CANS PER CASE DELIVERED MAJOR U.S. CITIES \$22.00 - 33.00

Excluding promotional and other sales allowances. Included new price announcements.

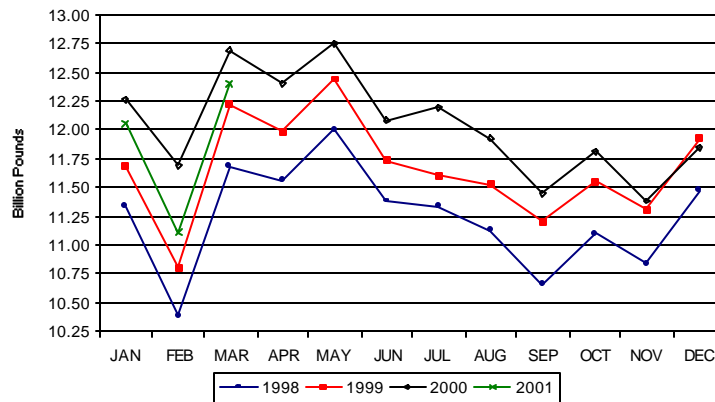
**CASEIN - NATIONAL**

Casein markets remain firm. Domestic inventories are quite low as buyers deplete previously accumulated volumes due to untimely deliveries and in instances, cancellations or reductions in scheduled deliveries. Mixed signals continue to occur out of Europe pertaining to the upcoming supply situation. Some producers state that they are anticipating lower casein output, while others feel that stocks and production should be in line with demand. Oceania sources indicate that they are basically fully committed and do not foresee any significant volumes available for spot sale in the near term.

SPOT SALES AND UP TO 3 MONTH CONTRACTS. PRICES ARE FOR EDIBLE NONRESTRICTED AND VARY ACCORDING TO MESH SIZE AND QUALITY.

RENNET:	2.4500 - 2.6500
ACID:	2.4500 - 2.6500

MILK PRODUCTION - 20 MAJOR STATES



Graph USDA, DMN; Source USDA, NASS

## MARCH MILK PRODUCTION

Milk production in the 20 major states during March totaled 12.4 billion pounds, down 2.2 percent from March 2000. February revised production, at 11.1 billion pounds, was down 5.0 percent from February 2000. However, adjusting production for leap year would put February milk production down 1.6 percent. The February revision represented a decrease of 0.7 percent or 82 million pounds from last month's preliminary production estimate. Production per cow in the 20 major States averaged 1,599 pounds for March, 33 pounds below March 2000. The number of cows on farms in the 20 major states was 7.76 million head, 18,000 head less than March 2000, and 9,000 head less than February 2001. The January-March quarterly production of milk for the U.S. was 41.3 billion pounds, 3.1 percent below the January-March period last year. The average number of milk cows in the U.S. during the January-March quarter was 9.16 million head, 33,000 head less than the same period last year.

STATE	MILK COWS 1/ 2/				MILK PRODUCTION 1/ 3/			
	MARCH		JANUARY-MARCH		MARCH		JANUARY-MARCH	
	2000	2001	2000	2001	2001	% CHANGE FROM 2000	2001	% CHANGE FROM 2000
	THOUSANDS				MILLION LBS.	PERCENT	MILLION LBS.	PERCENT
AL	C	C	26	22	C	C	86	-17.3
AK	C	C	0.9	1.1	C	C	3.41	15.6
AZ	137	140	137	140	263	-9.3	746	-8.9
AR	--	--	42	39	C	C	125	-11.3
CA	1,501	1,570	1,496	1,566	2,802	2.3	8,082	1.0
CO	--	--	87	90	C	C	480	3.0
CT	--	--	27	26	C	C	121	-6.2
DE	C	C	11.0	9.0	C	--	36.5	-22.3
FL	157	154	157	155	236	-1.7	666	-3.1
GA	--	--	88	86	C	C	387	-3.7
HI	--	--	8.4	7.7	--	--	26.7	-6.0
ID	334	357	333	357	632	10.1	1,815	7.8
IL	120	117	120	117	185	-2.6	519	-5.3
IN	143	151	141	151	222	8.3	630	7.1
IA	215	213	215	214	334	-3.5	965	-3.8
KS	--	--	88	94	C	C	395	2.6
KY	132	127	131	128	151	-5.0	426	-5.5
LA	--	--	60	56	C	C	184	-12.4
ME	--	--	40	37	C	C	158	-7.6
MD	--	--	85	82	C	C	347	-2.8
MA	--	--	24	21	C	C	91	-11.7
MI	296	303	297	302	491	1.2	1,409	0.2
MN	540	520	540	520	811	-5.3	2,327	-6.2
MS	--	--	36	36	C	C	148	-8.6
MO	156	148	157	148	188	-10.9	517	-13.7
MT	--	--	18	19	C	C	84	9.1
NE	--	--	75	77	C	C	295	-4.5
NV	--	--	25	25	C	C	119	3.5
NH	--	--	19	18	C	C	80	-1.2
NJ	--	--	16	16	C	C	68	-1.4
NM	240	261	238	261	459	1.1	1,302	1.1
NY	698	670	699	670	992	-5.0	2,848	-5.6
NC	--	--	72	68	C	C	299	-5.4
ND	--	--	49	47	--	--	165	-4.6
OH	261	262	260	263	380	-4.8	1,097	-4.2
OK	--	--	92	90	C	C	326	-1.5
OR	--	--	90	90	C	C	396	-6.2
PA	618	600	617	603	948	-5.3	2,726	-4.3
RI	-	--	1.9	1.5	C	C	611	-20.8
SC	--	--	23	22	C	C	99	-2.9
SD	--	--	102	100	--	--	405	1.5
TN	--	--	96	93	C	C	350	-7.9
TX	350	343	350	343	489	-15.5	1,389	-14.6
UT	--	--	94	93	C	C	392	-4.4
VT	160	153	160	153	229	-5.4	658	-6.7
VA	120	118	120	118	167	-4.0	481	-4.8
WA	246	246	246	247	466	-2.5	1,337	-3.6
WV	-	--	17	16	--	--	61	-12.9
WI	1,352	1,305	1,355	1,312	1,958	-3.1	5,637	-3.6
WY	--	--	6.0	4.6	C	C	15.2	-23.2
20 STATE TOTAL	7,776	7,758	C	--	12,403	-2.2	--	--
U.S. 4/ 5/	--	--	9,188	9,155	C	C	41,326	-3.1

1/ Preliminary. 2/ Includes dry cows, excludes heifers not yet fresh. 3/ Excludes milk sucked by calves. 4/ Includes states for which individual monthly estimates are not available. 5/ Milk cows will not add due to rounding.

SOURCE: "Milk Production," Da 1-1 (4-01), Agricultural Statistics Board, National Agricultural Statistics Service, USDA.



**MAILBOX MILK PRICES FOR SELECTED FEDERAL MILK ORDERS AND CALIFORNIA,  
NOVEMBER 2000, WITH COMPARISONS**

In November 2000, mailbox milk prices reported for selected Federal milk orders averaged \$12.40 per cwt., \$0.07 less than the revised figure for the previous month. Compared to November 1999, mailbox milk prices decreased \$1.77 per cwt. on the average. Mailbox prices again are being shown for those sub-order areas for which the data can be released; additional information for October is available now.

Federal milk order <u>1/</u>	Mailbox Milk Price <u>2/</u>		
	November 1999	October 2000	November 2000
	<u>Dollars per hundredweight</u>		
Northeast <u>3/</u>	15.00	12.85	12.91
Mideast	15.85	12.35	12.35
Appalachian	17.47	14.08	14.55
Southeast	16.20	13.14	13.56
Florida	18.72	16.40	16.79
Upper Midwest	12.29	12.00	11.56
Central *	13.87	11.85	11.40
Southwest	14.52	12.06	12.09
Western	10.96	10.96	10.60
Pacific Northwest	13.46	12.01	12.16
All-Market Average <u>4/</u> *	14.17	12.47	12.40
California <u>5/</u>	13.02	11.47	12.13
Sub-Order Areas <u>6/</u>	November 1999	October 2000	November 2000
Ohio	---	12.47	12.61
Michigan	---	12.32	12.34
Illinois	---	12.13	---
Wisconsin	---	12.02	---
Minnesota	---	11.95	---
Iowa/Kansas/Nebraska	---	11.83	---
W. Texas	---	12.59	12.41
New Mexico	---	11.49	11.72
Idaho	---	10.89	10.89
Utah	---	11.06	10.60
Oregon/Washington	---	12.01	12.16

\* Information for the current month is estimated; information for the previous month is revised.

1/ Federal milk orders for which information could be released. Previous year figures are the weighted average of the prices for the orders that were consolidated. 2/ Net pay price received by dairy farmers marketing milk to handlers regulated under the Federal milk orders. Includes all payments received for milk sold and all costs associated with marketing the milk. Price is a weighted average for the market and is reported at the market average butterfat test. 3/ Includes the value of Northeast Dairy Compact over-order payments received by qualified producers. These over-order producer prices were: November 1999, \$0.00; October 2000, \$0.74; November 2000, \$0.82. 4/ Weighted average of the information for all selected orders combined. 5/ Calculated by California Department of Food and Agriculture, and published in "California Dairy Information Bulletin." 6/ Information is shown for those areas for which prices are reported for at least 75% of the milk marketed under Federal milk orders. The price shown is the weighted average of the prices reported for all orders that received milk from the area.

## FEDERAL MILK ORDER PRICE AND POOL SUMMARY, MARCH

**HIGHLIGHTS.** Handler reports of receipts and utilization under the Federal milk order system for March have been filed and tabulated. Combined totals for the 11 consolidated orders are being released. During March, about 10.1 billion pounds of milk were received from producers. This volume of milk is 3.7 percent lower than the adjusted March 2000 volume. (Taking into account the volume of milk not pooled due to intraorder disadvantageous price relationships, the year-to-year change is -0.4 percent.) About 4.1 billion pounds of producer milk were used in Class I products, 1.1 percent higher than the previous year. Calendar composition likely had a positive impact on milk used in Class I in 2001 as compared to 2000. The all-market average Class utilization percentages were; Class I = 40%, Class II = 9%, Class III = 45%, and Class IV = 6%. The weighted average statistical uniform price was \$13.64 per cwt., \$0.93 higher than last month's revised price and \$2.05 higher than last year.

PRICE AND POOL STATISTICS FOR FEDERAL MILK ORDER MARKETING AREAS FOR THE MONTH OF MARCH 2001										
FEDERAL MILK ORDER MARKETING AREA <sup>1/</sup>	ORDER NUMBER	RECEIPTS OF PRODUCER MILK		UTILIZATION OF PRODUCER MILK IN CLASS I			UTILIZATION OF PRODUCER MILK IN OTHER CLASSES			UNIFORM PRICE <sup>2/</sup>
		TOTAL	CHANGE FROM PREV. YEAR	TOTAL	CHANGE FROM PREV. YEAR	PERCENT	CLASS II	CLASS III	CLASS IV	
		MIL. LBS.	PERCENT	MIL. LBS.	PERCENT		PERCENT			\$ PER CWT.
Northeast (Boston)	001	2,156.7	-1.2	953.2	4.1	44	17	31	8	14.50
Appalachian (Charlotte)	005	620.2	4.5	381.8	0.5	62	14	14	10	15.16
Southeast (Atlanta)	007	709.0	4.0	430.2	1.1	61	12	17	10	14.92
Florida (Tampa)	006	262.7	-2.9	239.9	1.5	91	7	1	1	16.69
Mideast (Cleveland)	033 <sup>3/</sup>	1,338.1	14.8	592.5	1.1	44	7	47	2	13.24
Upper Midwest (Chicago)	030 <sup>3/</sup>	1,725.7	-23.7	346.9	-5.7	20	3	76	1	12.20
Central (Kansas City)	032 <sup>3/</sup>	1,543.2	17.0	432.9	3.3	28	6	64	2	12.74
Southwest (Dallas)	126 <sup>3/</sup>	682.8	-16.8	347.4	0.5	51	6	43	1	14.18
Arizona-Las Vegas (Phoenix)	131	268.5	-6.3	85.4	-1.0	32	5	37	26	13.31
Western (Salt Lake City)	135 <sup>3/</sup>	300.2	-18.2	89.3	-3.2	30	9	60	1	12.89
Pacific Northwest (Seattle)	124 <sup>3/</sup>	540.9	-9.0	182.1	-0.9	34	9	37	21	13.34
<b>ALL MARKET AVERAGE OR TOTAL</b>	<b><sup>3/</sup></b>	<b>10,147.9</b>	<b>-3.7</b>	<b>4,081.4</b>	<b>1.1</b>	<b>40</b>	<b>9</b>	<b>45</b>	<b>6</b>	<b>13.64</b>

<sup>1/</sup> Names in parentheses are the major city in the principal pricing point of the market.

<sup>2/</sup> Statistical uniform price for component pricing orders (Class III price plus producer price differential). For other orders, uniform skim milk price times 0.965 plus uniform butterfat price times 3.5.

<sup>3/</sup> Due to a disadvantageous relationship between intraorder class prices and the location adjusted statistical uniform (blend) price in these markets, handlers elected not to pool an estimated 550 million pounds of milk that normally would have been associated with these markets. In March 2000, the estimated not-pooled volume of milk was 200 million pounds. After adjusting for these not-pooled volumes, the year-to-year percent change is -0.4.

CCC PURCHASES OF DAIRY PRODUCTS (POUNDS)

	FOR THE WEEK OF APRIL 16 - 20, 2001			CUMULATIVE TOTALS		UNCOMMITTED INVENTORIES#	
	TOTAL PURCHASES	CONTRACT ADJUSTMENTS	ADJUSTED PURCHASES	SINCE 10/01/00	SAME PERIOD LAST YEAR	WEEK ENDING 04/13/01	SAME PERIOD LAST YEAR
<b>BUTTER</b>							
Bulk	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Packaged	-0-	-0-	-0-	-0-	-0-	-0-	-0-
Unsalted	-0-	-0-	-0-	-0-	-0-	-0-	-0-
<b>TOTAL</b>	-0-	-0-	-0-	-0-	-0-	-0-	-0-
<b>CHEESE</b>							
Block	-0-	-0-	-0-	3,050,083	81,766	-0-	-0-
Barrel	-0-	-0-	-0-	4,025,276	-0-	-0-	-0-
Process	-0-	-0-	-0-	3,999,600	3,049,200	-0-	-0-
<b>TOTAL</b>	-0-	-0-	-0-	11,074,959	3,130,966	-0-	-0-
<b>NONFAT DRY MILK</b>							
Nonfort	5,766,723	-0-	5,766,723	266,126,939	237,541,523	501,460,000	-0-
Fortified	-0-	-0-	-0-	26,867,069	5,313,347	37,339,000	-0-
Instant	-0-	-0-	-0-	-0-	-0-	-0-	-0-
<b>TOTAL</b>	5,766,723	-0-	5,766,723	292,994,008	242,854,870	538,799,000	-0-

#Although an uncommitted inventory of NDM has continued to exist for some time, it has not been reported due to CCC's efforts to utilize all NDM purchased under price support.

MILK EQUIVALENT, FAT SOLIDS BASIS, OF ADJUSTED PURCHASES (MILLION POUNDS)

	MILKFAT* BASIS	SKIM** SOLIDS		MILKFAT* BASIS	SKIM** SOLIDS
WEEK OF APRIL 16 - 20, 2001 =	1.3	1.	COMPARABLE WEEK IN 2000 =	3.2	148.0
CUMULATIVE SINCE OCTOBER 1, 2000 =	166.7	3,520.1	CUMULATIVE SAME PERIOD LAST YEAR =	82.3	2,857.8
CUMULATIVE JANUARY 1 - APRIL 20, 2001 =	50.1	2,037.5	COMPARABLE CALENDAR YEAR 2000 =	71.1	2,264.7

\* Factors used for Fat Solids Basis Butter times 21.80; Cheese times 9.23; and Nonfat Dry Milk times 0.22  
 \*\*Factors used for Skim Solids Basis Butter times 0.12; Cheese times 9.90; and Nonfat Dry Milk times 11.64

CCC ADJUSTED PURCHASES FOR THE WEEK OF APRIL 16 - 20, 2001 (POUNDS)

REGION	BUTTER			CHEESE			NONFAT DRY MILK	
	BULK	PACKAGED	UNSALTED	BLOCK	BARREL	PROCESS	NONFORTIFIED	FORTIFIED
MIDWEST	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-
WEST	-0-	-0-	-0-	-0-	-0-	-0-	5,766,723	-0-
EAST	-0-	-0-	-0-	-0-	-0-	-0-	-0-	-0-

CCC ADJUSTED PURCHASES SINCE 10/1/00 AND SAME PERIOD LAST YEAR (POUNDS) AND MILK EQUIVALENT AS A PERCENT OF TOTAL

REGION	BUTTER		CHEESE		NONFAT DRY MILK		MILK EQUIVALENT (%)	
	2000/01	1999/00	2000/01	1999/00	2000/01	1999/00	2000/01	1999/00
MIDWEST	-0-	-0-	5,995,440	3,130,966	3,105,246	25,074,143	33.6	41.8
WEST	-0-	-0-	5,039,919	-0-	289,888,762	215,230,500	66.2	57.5
EAST	-0-	-0-	39,600	-0-	-0-	2,550,227	0.2	0.7
<b>TOTAL</b>	-0-	-0-	11,074,959	3,130,966	292,994,008	242,854,870	100.0	100.0

SUPPORT PURCHASE PRICES FOR DAIRY PRODUCTS PRODUCED ON OR AFTER JANUARY 16, 2001

**MANUFACTURING MILK** Average Test 3.67% - \$9.90 per cwt.; 3.5% - \$9.80

**BUTTER** Bulk \$.6549 per pound; 1# Prints \$.6849

**CHEESE** 40 & 60# Blocks \$1.1314 per pound; 500# Barrels \$1.1014; Process American 5# \$1.1839; Process Am. 2# \$1.2239

**NONFAT DRY MILK** Nonfortified \$1.0032 per pound; Fortified \$1.0132; Instant \$1.1607

U.S. Dairy & Total Cow Slaughter under Federal Inspection, by Regions, for Week Ending 03/31/01 & Comparable Week 2000

Regions* (000 HEAD)	U.S. TOTAL										% DAIRY OF ALL	
	1	2	3	4	5	6	7	8	9	10	WEEK SINCE JAN 1	WEEK SINCE JAN 1
2001-Dairy	0.3	0.6	5.9	5.0	21.5	2.8	2.1	0.9	11.4	2.5	52.8	731.3
2000-Dairy	0.2	1.0	6.2	5.1	19.9	2.5	2.0	1.2	11.2	3.2	52.3	701.2
2001-All cows	0.3	0.7	7.9	15.0	30.5	12.2	19.5	4.8	13.3	5.6	109.6	1,471.3
2000-All cows	0.2	1.2	8.5	14.3	27.9	12.7	10.8	5.3	12.9	6.2	100.0	1,368.4

SOURCE The slaughter data are gathered and tabulated in a cooperative effort by the Agricultural Marketing Service, The Food Safety and Inspection Service, and the National Agricultural Statistics Service, all of USDA.

CLASS III (2000) AND BFP (1998-99) MILK PRICES, (3.5% BF, \$/CWT. FOR COMPARISON PURPOSES ONLY)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
1998	13.25	13.32	12.81	12.01	10.88	13.10	14.77	14.99	15.10	16.04	16.84	17.34
1999	16.27	10.27	11.62	11.81	11.26	11.42	13.59	15.79	16.26	11.49	9.79	9.63
2000	10.05	9.54	9.54	9.41	9.37	9.46	10.66	10.13	10.76	10.02	8.57	9.37

FEDERAL MILK ORDER CLASS PRICES FOR 2001 (3.5% BF)

CLASS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
I 1/	13.99	11.94	12.65	13.44								
II	12.82	13.43	14.17									
III	9.99	10.27	11.42									
IV	12.13	12.70	13.46									

1/ Specific order differentials to be added to this base price are located at: [www.ams.usda.gov/dairy/mlb/class\\_prod\\_milk\\_comp\\_pr.htm](http://www.ams.usda.gov/dairy/mlb/class_prod_milk_comp_pr.htm)